

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF

HIGHLANDS METROPOLITAN DISTRICT NO. 3

Held: Tuesday, March 29, 2022, at 12:00 p.m

1200 17th Street, Suite 1250, Denver, CO 80202.

and via teleconference.

Attendance

The meeting of the Board of Directors of the Highlands Metropolitan District No. 3 was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve on the Board, were in attendance:

James Spehalski
Barry Talley

Director Linda Talley was absent. All absences are deemed excused unless otherwise noted in these minutes.

Also present: Kristin B. Tompkins, Esq., and Megan J. Murphy, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; Diane Wheeler, Simmons & Wheeler, P.C., District Accountant; Mike Sullivan, Piper Sandler & Co., District Underwriter; Stephanie Chichester, North Slope Capital Advisors, District Municipal Advisors; and Kim Reed and Ethan Anderson, Ballard Spahr, District Bond Counsel.

Call to Order

It was noted that a quorum of the Board was present and the meeting was called to order.

Conflict of Interest Disclosures

Ms. Murphy advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Tompkins reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Murphy inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the

members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Administrative Matters

Agenda

Ms. Murphy presented the Board with the agenda for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda as amended to remove item 7(d).

Public Comment

None.

Consent Agenda

Ms. Murphy reviewed the items on the consent agenda with the Board. Ms. Murphy advised the Board that any item may be moved from the consent agenda to the regular agenda upon the request of any director. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved and/or ratified.

- Minutes from December 21, 2021 Special Meeting
- 2021 Audit Exemption Application

Legal Matters

None.

Financial Matters

Consider Approval of Payables/Financials

Ms. Wheeler presented the Board with the claims payables dated March 29, 2022, totaling \$21,341.55. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the claims payables.

Ms. Wheeler presented the Board with the unaudited financial statements dated December 31, 2021. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the unaudited financial statements dated December 31, 2021.

Consider Adoption of Resolution No. 1 Regarding Acceptance of District Eligible Costs pursuant to Infrastructure Acquisition and Reimbursement Agreement with Vista Highlands, LLC dated January 25, 2015 with an

Ms. Wheeler presented the Resolution to the Board. Ms. Wheeler discussed with the Board that interest is calculated at 8% from June 23, 2014 which is the date Highlands Metropolitan District No. 1 accepted the costs. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the Resolution subject to approval of the interest rate, date of interest accrual, and receipt of the Engineer's Report.

effective date of August 19, 2008

Consider Adoption of Resolution No. 2 Regarding Acceptance of District Eligible Costs pursuant to Infrastructure Acquisition and Reimbursement Agreement with Vista Highlands, LLC dated January 25, 2015 with an effective date of August 19, 2008
2022 Bond Issuance

Ms. Wheeler presented the Resolution to the Board. Ms. Wheeler discussed with the Board that interest is calculated at 8% from June 15, 2016 which is the date Highlands Metropolitan District No. 2 accepted the costs. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Resolution subject to approval of the interest rate, date interest is accruing, and the Engineer's Report.

Consider and make a final determination concerning the issuance of general obligation indebtedness consisting of its Limited Tax General Obligation Bonds, Series 2022, in an approximate principal amount of \$9,000,000, which amount is subject to increase or decrease as determined by the Board, or as otherwise permitted by any resolution adopted by the Board at such meeting, and, in connection therewith, the Board will consider a resolution: authorizing the issuance of such indebtedness; authorizing an Indenture of Trust, a Bond Purchase Agreement, a Continuing Disclosure Agreement, the form of Limited Offering Memorandum, and other related documents; approving, ratifying and confirming the execution of certain documents; making determinations and findings

Mr. Sullivan and Mr. Anderson presented the Board with the Resolution Authorizing the issuance of its Limited Tax General Obligation Bonds, Series 2022, in an approximate principal amount not to exceed \$9,000,000. Mr. Anderson noted the parameters of issuance would include a maturity date no later than December 1, 2053, and an interest rate not to exceed 7.25%. Director Spenhalski is designated as the Sale Delegate. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the Bond Resolution authorizing the issuance of such indebtedness, authorizing an Indenture of Trust, a Bond Purchase Agreement, a Continuing Disclosure Agreement, the form of Limited Offering Memorandum, and other related documents; approving, ratifying and confirming the execution of certain documents; making determinations and findings as to other matters related to such financing transaction; authorizing incidental action; and repealing prior inconsistent action.

as to other matters related to such financing transaction; authorizing incidental action; and repealing prior inconsistent action

Other Financial Matters None.

Other Business The next regular meeting is scheduled for May 11, 2022.

Adjournment There being no further business to come before the Board, and following discussion and upon a motion duly made, seconded, and unanimously carried, the Board determined to adjourn the meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Barry L Talley

[Barry L Talley \(Apr 11, 2022 11:11 PDT\)](#)

Secretary for the Meeting